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85-00450

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JUL 30 1985

Honorable Frank H. Riddick
Judge of Probate, Madison County
Madison County Courthouse
Huntsville, AL 35801

Filing Tax -- Mortgages --
Judges of Probate

No mortgage privilege tax due for recording a modification agreement which does not change or extend the date of maturity of the debt, does not provide for any additional indebtedness in the future and does not convey any property or interest in property that was not conveyed in the original mortgage.

Dear Judge Riddick:

Reference is made to your letter addressed to the Honorable Charles A. Graddick, Attorney General of Alabama, in which you request an opinion from this office as to whether or not mortgage privilege tax is due to be paid for the recordation of an instrument entitled "Modification Agreement", copy of which was attached to your letter.

A careful examination of said agreement indicates that said Modification Agreement does not change the principal amount of indebtedness set out in the original mortgage; nor does it provide for the advancement of additional funds in the future; nor does it convey any additional property that was not covered in the original mortgage. It appears to exercise an option for a three-month extension for the completion of the construction

project and to increase temporarily the rate of interest for that three-month period only.

Since the Modification Agreement does not change or extend the date of maturity of the loan evidenced by the original mortgage, and does not provide for any additional indebtedness of any kind (except the additional interest for the three month's extension granted in said agreement) and does not convey any additional property or interest in property, it is my opinion that no mortgage tax is due to be collected by your office for recordation of this instrument.

If I can be of further service at any time, please advise.

Sincerely,

CHARLES A. GRADDICK

Attorney General

By-

A handwritten signature in cursive script, reading "B. Frank Loeb".

B. FRANK LOEB

Assistant Attorney General

BFL:ccc